



Date June 11, 2018

RESOLUTION INSTITUTING PROCEEDINGS TO TAKE
ADDITIONAL ACTION FOR THE ISSUANCE OF NOT TO
EXCEED \$71,700,000 STORMWATER MANAGEMENT
UTILITY REVENUE CAPITAL LOAN NOTES

WHEREAS, pursuant to notice published as required by law, a public meeting and hearing has been held upon the proposal to institute proceedings for the issuance of not to exceed \$71,700,000 Stormwater Management Utility Revenue Capital Loan Notes for the purpose of paying costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Stormwater Management Utility; and no petition was filed calling for a referendum thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA:

Section 1. That this Council does hereby institute proceedings and takes additional action for the sale and issuance in the manner required by law of not to exceed \$71,700,000 Stormwater Management Utility Revenue Capital Loan Notes, for the foregoing purposes.

Section 2. That this Council does hereby consent to the terms and conditions of the SRF Loan Program, which terms and conditions and the disclosures provided with respect thereto are hereby acknowledged, accepted and approved.

Section 3. That the Finance Director, with the assistance of the City Attorney and bond counsel, is hereby authorized and directed to proceed with the preparation of such documents and proceedings as shall be necessary to authorize the City's participation in the SRF Loan Program, to select a suitable date for final Council authorization of the required Loan and Disbursement Agreement and issuance of the Note to evidence the City's obligations thereunder, and to take such other actions as the Clerk shall deem necessary to permit the completion of a loan on a basis favorable to the City and acceptable to this Council.

Section 4. This Resolution shall serve as a declaration of official intent under Treasury Regulation 1.150-2 and shall be maintained on file as a public record of such intent. It is reasonably expected that moneys may be advanced from time to time for capital expenditures which are to be paid from the proceeds of the above loan agreement. The amounts so advanced shall be reimbursed from the proceeds of the Loan Agreement not later than eighteen months after the initial payment of the capital expenditures or eighteen months after the property is placed in service. Such advancements shall not exceed the loan amount authorized in this Resolution unless the same are for preliminary expenditures or unless another declaration of intention is adopted.

★ Roll Call Number

Agenda Item Number

63A

Date June 11, 2018

MOVED by _____ to adopt.

FORM APPROVED:

Lawrence McDowell
Deputy City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
WESTERGAARD				
BOESEN				
MANDELBAUM				
TOTAL				

MOTION CARRIED

APPROVED

Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

IOWA WATER POLLUTION CONTROL WORKS
FINANCING PROGRAM LOAN TERMS

- Principal amount authorized Determined in accordance with City's application.
- Interest rate Currently 1.75%.
- Interest payment dates Typically June 1 and December 1 of each year, unless outstanding parity bonds require otherwise.
- Principal repayment dates Typically June 1 of each year, commencing not later than one year after the completion of the project being funded with the SRF loan.
- Term of loan Typically twenty or thirty years from date of completion of project.
- Optional redemption Principal of the loan may be called for redemption and paid before maturity on any date following receipt of written consent by the Iowa Finance Authority, from any funds regardless of source, in whole or from time to time in part, by giving thirty days' notice of redemption by certified or registered mail. The terms of redemption shall be par, plus accrued interest to date of call. The loan also is subject to optional redemption in the event all or substantially all of the Project is damaged or destroyed, at a price of par plus accrued interest.
- Initiation fee 0.50% of the principal amount borrowed, which may be deducted from the loan proceeds at the time of closing.
- Annual servicing fee 0.25% of the outstanding principal balance, payable each year at the time principal is paid.
- Rate covenant Sewer user charges must be established at a level which produces and maintains net revenues at a level not less than 110% of principal and interest falling due in the same year.
- Other covenants No reserve fund or improvement fund is required for the SRF loan. SRF loan may be subordinate to outstanding sewer revenue obligations with consent of Iowa Finance Authority.
- Disbursement schedule Loan proceeds are disbursed following the receipt by the Iowa Finance Authority of a completed disbursement request form.
- Source of loan funds Iowa Finance Authority
("SRF Program Bonds") Iowa State Revolving Fund Revenue Bonds
- SRF Program Trustee Wells Fargo Bank, National Association
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